## Poverty Summit Presentation

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# WHY ARE PEOPLE POOR?

## **Opportunity Structures**



#### Structural Racism

Structural Racism refers to a system of social structures that produces cumulative race based inequalities. It is also a method of analysis that is used to examine how historical legacies, structures and institutions work together to distribute advantages and disadvantages along racial lines. Structural racism is not about individual prejudice or the single function of an institution.

## Race & Housing

#### Why housing matters:

- Access to Education
  - Employment
  - Transportation
    - Health Care
  - Public Services
    - Public Safety
      - Childcare
- *Assets/Wealth via Home Equity*

## Race, Housing & Access

Low Opportunity: Connectivity between housing location and lack of access to high performing schools, meaningful employment, viable transportation, quality childcare, responsible health care.

#### Southeast Michigan

Low Opportunity Neighborhoods in 2000

- 90% African American
- 50% Latino
- 19% White



- GI Bill
- Federal Housing Administration
- Redlining
- Racial Steering
- White Flight

## **Concentrated Poverty**

Concentrated poverty refers to the share of poor people living in "high poverty" neighborhoods.

High Poverty - "A census tract is considered a high poverty neighborhood if at least 40% of its residents live in families with incomes at or below the federal poverty line."

#### Race & Wealth

- The median net worth of Whites is more than 10 times that of African Americans.
  - When home equity is removed from the equation, the net worth of Whites is almost 20 times that of African Americans.
  - Average total net worth
    - White \$88,651
    - African American \$5,998
    - Latino \$7,932
- African Americans make up 13% of the U.S. population, but they only own 3% of the assets.

#### Race & Education

#### 2002-2003 High Poverty Public School Rates

- 71% of all African American
- 73% of all Latino
- 28% of all white public school students (K-12) attended high-poverty schools.

#### 2005/6 Education Rates for Males in Michigan

Graduation

33% Black Males

74% White Males

Below Basic Reading Level Grade 8

61% Black Males

25% White Males

Below Basic Math Level Grade 8

72% Black Males

23% White Males

Percentage of Michigan Population with bachelor's degree or higher

10.3%

| <u> Total Population</u> | <u>24.5%</u> |
|--------------------------|--------------|
| African American         | 12.7%        |
| Latino                   | 12.8%        |
| Asian                    | 61%          |

American Indian

## Race & Employment

Michigan Median Incomes in 2002

White \$46,838

African American \$31,015

Latino \$38,481

Asian \$57,966

Nationally, African American households had the lowest median income in 2004 among racial groups.

#### Race & Health

"Health disparities are differences in the incidence, prevalence, mortality, burden of disease and other adverse health conditions or outcomes that exist among specific population groups in the United States. In Michigan, as in the United States, racial and ethnic minority populations carry a disproportionately heavy burden due to health disparities."

## Leading Causes of Michigan Deaths by Race 2005

|                 | WH           | AA/B   | AI/AN | A/PI  | H/L   |
|-----------------|--------------|--------|-------|-------|-------|
| <u>Cause</u>    |              |        |       |       |       |
| Overall         | <i>775.5</i> | 1045.4 | 923.8 | 362.1 | 611.3 |
| Heart Disease   | 219.0        | 322.7  | 198.5 | 106.0 | 158.9 |
| Cancer          | 186.3        | 225.7  | 214.3 | 84.6  | 120.3 |
| Stroke          | 44.2         | 61.6   | 62.4  | 23.7  | 41.0  |
| CLRD*           | 43.9         | 28.1   | 64.2  |       | 22.7  |
| Unintentional - | 32.7         | 33.4   | 34.9  |       | 28.4  |
| Injury          |              |        |       |       |       |
| Diabetes        | 24.7         | 40.0   | 48.2  |       | 36.1  |

**Mortality Rates per 100,000** 

WH - White, AA/B - African American, AI/AN - American Indian, A/PI - Asian, H/L - Latino

<sup>\*</sup>CLRD – Chronic Lower Respiratory Disease

## Infant Mortality in Michigan

Mortality Rates Per 1,000 live births

African American

White

Latino

17.9

5.5

11.2

#### Access to Health Care

- 15.4% of people living in the United States lacked health insurance, on average from 2005-2007.
- 10.8% of Michigan Residents were identified as uninsured from 2005-2007.
- Minorities are more likely than Whites to be uninsured.

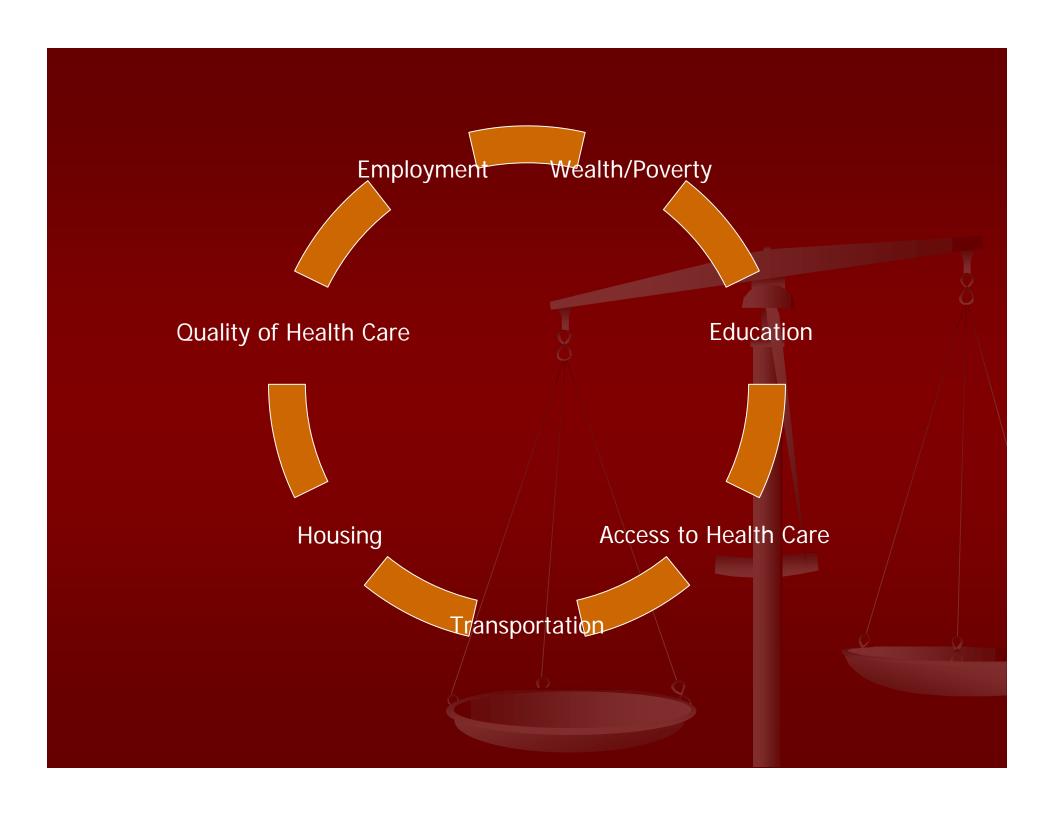
## Michigan Uninsured Rates

(2004-2006)

- 17.5% Latino
- 18.3% African American
- 10.4% White
- 15.1% Other
- 12.0% All Non-elderly

## Race & Poverty

- 8 Million Americans living in concentrated poverty by 1990
  - 50% African American
  - 25% Latino
- The overall U.S. poverty rate in 2002 was 12.1%, yet ranged from 8% for whites to approximately 22% and 24% for Latinos and African Americans.



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